Center for Immigration Studies

Backgrounder

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Immigration in a Time of Recession

An Examination of Trends Since 2000

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The economic downturn and the attacks of September 11th appear to have had no lasting impact on the pace of immigration. While there is some evidence that immigration may have slowed slightly in 2001, analysis of unpublished 2003 Census Bureau data by the Center for Immigration Studies shows that new legal and illegal immigration remains at record-setting levels. In fact, immigration appears to be largely unconnected to the job market in the United States. Although unemployment has increased significantly overall and among the foreign-born, the pace of legal and illegal immigration continues to match that of the late 1990s. The total foreign-born population reached 33.5 million in March of this year, a net increase of one million since 2002 and the highest number ever recorded in American history.

Among the report's findings:

- Since 2000, 2.3 million new immigrant workers (legal and illegal) have arrived in the United States — almost exactly the same as the 2.2 million who arrived during the three years prior to 2000, despite dramatic change in economic conditions.

- At the state level, there seems to be no clear relationship between economic conditions and trends in immigration. Immigration levels have matched or exceeded the pace of the late 1990s in Texas, New Jersey, Virginia, Maryland, Illinois, Arizona, Washington, North Carolina, Georgia, and New York — even as all these states experienced a significant increase in unemployment.

- Nationally, about half (1.2 million) of those who arrived in each three-year time period (1997-2000 and 2000-2003) are estimated to be illegal aliens. These figures are only for those in the workforce who were captured in Census Bureau data.

- Looking only at the ***net*** increase in employment, the number of foreign-born adults (legal and illegal) holding a job has grown 1.7 million since 2000, while among natives the number working fell by 800,000.

- Although the number of foreign-born adults holding a job has increased since 2000, the number unemployed ***also*** increased, by 600,000, and unemployment rose among the foreign born from 4.9 to 7.4 percent.

- It is the very rapid growth in the foreign-born population that makes it possible for the number of immigrants holding jobs ***and*** the number unemployed to increase at the same time.

The current economic slowdown represents a real-world test of the often-made argument that immigration is primarily driven by economic need in the United States. The fact that immigration has not slowed significantly since 2000, even though unemployment has increased significantly, indicates that immigration levels do not simply reflect demand for labor in this country. Rather, immigration is a complex process driven by a variety of factors, many of which have little to do with prevailing economic conditions in the United States. The idea

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that record levels of immigration in the 1990s were caused by a strong economy is a gross oversimplification and perhaps not even very helpful in understanding immigration. This does not mean that economic factors are entirely irrelevant. The higher standard of living of the United States in comparison to most sending countries certainly plays a central role in encouraging immigration. But a much higher standard of living exists even during a recession. For prospective immigrants, being unemployed or having to rely on the government or relatives in this country for support is still often better than life in the home country. Therefore, immigration is not a self-regulating process that rises and falls with the economy, nor should we expect it to be.

Data Source

The information in this *Backgrounder* comes from the March Current Population Survey (CPS) collected by the Census Bureau.[1] The March data, which are also called the Annual Social and Economic Supplement, include an extra-large sample of minorities and is considered one of the best sources for information on the foreign-born.[2] The foreign-born are defined as persons living in the United States who were not U.S. citizens at birth.[3] For the purposes of this report, "foreign born" and "immigrant" are used synonymously. Because all children born in the United States to the foreign-born are by definition natives, the sole reason for the dramatic increase in the foreign-born population is new immigration. The foreign-born population in the CPS includes perhaps eight million illegal aliens and one million persons on long-term temporary visas, mainly students and temporary workers. The CPS does not include persons in "group quarters," such as prisoners and those in nursing homes.

Foreign-Born Workers

The CPS is primarily designed to measure changes in employment and can be a very useful tool in determining the impact of immigration on the American workforce. Table 1 (pg. 3) reports unemployment and the number of new arrivals in the top immigrant-receiving states in March 1997, 2000, and 2003. The numbers in the table are for adults 18 years of age and over. The first column reports the unemployment rate in 1997, the second column gives the rate in 2000, the third column shows the rate in 2003, and the fourth column shows the change in unemployment rates between 2000 and 2003. The fifth column shows the increase in the number of adult unemployed workers. The sixth and seventh columns show the number of newly arrived workers in the 2000 to 2003 period and the 1997 to 2000 period, respectively. Figures for new arrivals include only those in the workforce. That is, those who report they either have a job or are looking for work.

Economic Deterioration Not Slowing Immigration. Table 1 shows that while unemployment has risen significantly on both the national and state level, this has not had a discernable impact on the arrival of new immigrant workers from abroad. Between 1997 and 2000, 2.2 million new foreign-born adult workers arrived in the United States. Since 2000, an additional 2.3 million adult workers have entered the country.[4] This lack of change is important because the economic situation has been very different in the last three years than in the pervious three years. Unemployment among adults fell in the period 1997 to 2000, but rose significantly after 2000. But the change in the economy does not seem to be reflected in immigration numbers. This is true for most states as well, with the exceptions of Florida, Colorado, and California. In California, high unemployment does seem to have reduced the number of new arrivals from abroad, although immigration levels to that state remain very substantial even during the current recession, with 367,000 new arrivals from abroad between 2000 and 2003. In every other high-immigration state, however, new legal and illegal immigrants kept coming in numbers that matched or in some cases exceeded the rates during the three years prior to 2000.

Overall, Table 1 shows that immigration is not very sensitive to changes in demand for labor. For example, Texas saw a large increase in new immigration, but the rise in the unemployment rate among adults in that state is not that different from California's. Of the larger states, some of the biggest increases in unemployment were in North Carolina, New Jersey, and Illinois. But in each of these states new immigration matched the level of the late 1990s. On the other hand, Florida's recession is not particularly deep, yet immigration to that state does seem to have fallen off in the last three years. Immigration is of course a very complex process driven by a host of factors, including a desire to be with relatives or a wish to enjoy greater political or personal freedom. Most important, the standard of living remains much higher in this country than in most sending countries, even if jobs are

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Table 1. Adult Unemployment and New Immigration by State, 1997-2003 (in Thousands)[1]

	Unempl. Rate 1997	Unempl. Rate 2000	Unempl. Rate 2003	Rise in Unempl. Rate -- 2000-03	Increase in Unempl. Workers -- 2000-03	No. of Foreign-Born Workers Who Arrived Between 2000-2003 [2,3]	No. of Foreign-Born Workers Who Arrived Between 1997-2000 [2,3]
Nation	**5.1 %**	**4.1 %**	**6.2 %**	**2.1 %**	**3,091**	**2,338**	**2,231**
California	6.8 %	5.4 %	7.0 %	1.6 %	316	367	485
Texas	5.8 %	4.8 %	6.8 %	2.0 %	256	339	197
Florida	4.6 %	3.4 %	5.2 %	1.8 %	151	201	270
New York	7.2 %	4.7 %	6.2 %	1.5 %	157	186	191
Illinois	4.9 %	4.2 %	6.9 %	2.8 %	164	122	97
New Jersey	5.8 %	3.5 %	6.1 %	2.6 %	116	113	62
Virginia	4.0 %	2.9 %	4.6 %	1.7 %	64	95	50
Arizona	4.8 %	3.9 %	6.2 %	2.3 %	65	81	59
Maryland	5.2 %	3.3 %	4.5 %	1.2 %	44	80	49
North Carolina	2.7 %	3.2 %	7.0 %	3.7 %	154	73	61
Massachusetts	4.6 %	2.3 %	6.4 %	4.1 %	143	70	81
Georgia	4.2 %	3.5 %	4.5 %	1.1 %	51	62	60
Colorado	2.8 %	2.7 %	5.4 %	2.7 %	65	50	81
Washington	5.2 %	4.5 %	8.0 %	3.5 %	110	45	27
Ohio	4.0 %	4.3 %	6.8 %	2.5 %	147	37	19

[1] Figures are for persons 18 years of age and older.
[2] Includes only those in the workforce: individuals holding a job or looking for work.
[3] Based on responses to year-of-entry question in the March 2000 and 2003 CPS.
Source: CIS analysis of March 2000 and 2003 Current Population Surveys (CPS), which do not include persons living in "group quarters" such as nursing homes.

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scarce. Thus, the idea that record immigration in the 1990s reflected economic conditions in the United States is a gross oversimplification and perhaps not even very helpful in understanding immigration. To be sure, the higher wages and greater material prosperity in the United States play a huge role in encouraging people to come, but our standard of living is much higher regardless of the business cycle. Thus, demand for workers in this country is only one of many factors that drive immigration. Evidence from the current recession suggests it may not even be one of the most important factors.

Rising Immigrant Unemployment. Table 2 examines in detail foreign-born and native workers in the United States using the March 2000 and 2003 CPS. While Table 1 reported the number of new adult workers from abroad, Table 2 reports the ***net*** change in the number of adults in each category. Table 2 shows that unemployment has risen significantly for both immigrants and natives in the last three years. The number of employed natives fell by almost 800,000 and their unemployment rate rose from 4 to 6 percent between March 2000 and March 2003. In contrast, there has been a net increase of 1.7 million foreign workers over this same time period. This suggests that some of the employment losses suffered by natives may be at least partly explained by immigration.

While there may be debate about whether immigration has adversely affected the job prospects of natives, it is clear from Table 2 that there has been a significant deterioration in job prospects for foreign-born workers. Table 2 shows that the number of unemployed immigrants increased by over 500,000 and that their unemployment rate has risen 2.5 percentage points since 2000. Yet immigrants (legal and illegal) continue to arrive in very large numbers. A total of 4.5 million immigrants have arrived from abroad since 2000. As Table 1 shows, 2.34 million are in the workforce. Of those in the workforce, 2.1 million are currently working and about 250,000 are unemployed. Their unemployment rate of 10.8 percent is significantly higher than the 9 percent unemployment rate for recent arrivals in 2000. The fact that rising unemployment among immigrants overall and among new arrivals has apparently not slowed the pace of immigration shows that immigration it is not simply a function of the U.S. job market.

Non-Work Has Increased Among Foreign-Born. It must be remembered that the figures in Tables 1 and 2 are for those working and unemployed and do not include those who may want to work but have given up looking for a job. Table 2 shows that there were a total of 39.4 million adults ages 18 to 64 in 2003 who were not working nor looking for work, compared to about 36 million in 2001. Among native-born adults, the number not in the workforce increased 2.7 million, or 9 percent. Among the foreign born, the number not in the workforce increased by 800,000 or 14

Table 2. Foreign-Born and Native Workers in 2000 and 2003 (in Thousands)

	2000				2003			
	Number Working[1]	Number Unempl.[1]	Unempl. Rate	Not in Work-force[2]	Number Working[1]	Number Unempl.[1]	Unempl. Rate	Not in Work-force[2]
All Foreign Born	17,463	904	4.9 %	5,827	19,142	1,528	7.4 %	6,623
< HS Education	5,087	483	8.7 %	2,279	5,648	662	10.5 %	2,497
High School Only	4,468	194	4.2 %	1,373	4,723	345	6.8 %	1,634
> High School	7,908	226	2.8 %	2,175	8,771	521	5.6 %	2,492
All Natives	115,797	4,812	4.0 %	30,125	115,028	7,279	6.0 %	32,787
< HS Education	9,704	1,066	9.9 %	6,977	8,877	1,304	12.8 %	6,807
High School Only	37,953	1,898	4.8 %	10,501	35,876	2,831	7.3 %	11,142
> High School	68,139	1,847	2.6 %	12,647	70,275	3,144	4.3 %	14,838

[1] Figures are for persons 18 years of age and older.
[2] Figures are for persons 18 to 64 years of age not working or not looking for work.
[3] Based on responses to year of entry question in the March 2000 and 2003 CPS.
Source: CIS analysis of March 2000 and 2003 Current Population Surveys (CPS), which do not include persons living in "group quarters."

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percent over the same period. Of course, many adults are not in the workforce by choice. For example, many are caring for young children or are full-time students. But this was true in both 2000 and 2003, thus some of the increase in non-work in those years is almost certainly related to economic conditions and perhaps a continued high level of immigration. Like the increase in unemployment among the foreign-born, the rise in non-work is a strong indication that employment prospects have deteriorated for immigrants.

Today's Immigration Is Different. The persistently high rate of immigration, regardless of economic conditions, makes today's immigration very different from the last great wave of immigration. In the 19th century the number of new legal immigrants often fell by half or more when there was a significant downturn in the U.S. economy.[5] This is no longer the case; perhaps because the difference between the standard of living in the United States and that of most sending countries is much larger today than in the past. In fact, administrative data from the immigration service on the arrival of new legal immigration show that although there have been a number of recessions since the end of World War II, these economic downturns had no discernable impact on the flow of new legal immigrants. In the post-war period, immigration is no longer the self-regulating process it once was. Given the enormous benefits, economic and non-economic, that accrue to those who come to this country, it should not be too surprising that the availability of jobs seems to matter so little. This means that reducing immigration requires a change in policy.

Foreign-Born Employment Gains. Table 2 shows that about a third (561,000) of the 1.7 million net increase in the number of foreign born-workers was due to an increase in the number of foreign-born workers without a high school degree. The number of native high school dropouts holding a job declined by 827,000. Some of this decline is explained by an increase in unemployment among native dropouts of 238,000, raising the unemployment rate for native dropouts from 9.9 to 12.8 percent. The decline in the number of native dropouts working not only reflects an increase in unemployment, however. It also seems to be related to the retirement of older natives with few years of schooling. The number of dropouts not working between the ages of 18 and 64 went down slightly between 2000 and 2003, indicating that there was not an increase in non-work among that group. On the other hand, the ratio of dropouts not in the workforce to those who are is still about twice that of those with a college education. The rise in unemployment among native-born dropouts and their persistently high rate of non-work may be a matter of some concern because they already had the highest rates of unemployment and non-work as well as the lowest wages in 2000. By significantly increasing the supply of unskilled workers during the recession, immigration may be making it more difficult for these workers to improve their situation. Had there been much less immigration, the labor market for unskilled workers would have been much tighter due to the retirement of older dropouts. Immigration prevented this process from occurring.

The number of more educated foreign-born workers also increased. Between 2000 and 2003, the number of immigrant workers with only a high school degree rose by about 250,000 between 2000 and 2003. At the same time, the number of unemployed natives with only a high school education increased by more than 900,000 to 2.8 million. The number not working also increased by nearly 650,000. Turning to those with more than a high school education, Table 2 shows that the number of foreign-born workers holding a job increased 863,000, but the number unemployed also increased by almost 300,000. Among natives with more than a high school education, the number working increased, but unemployment also increased. The increase in the numbers of these more-educated workers both holding jobs and unemployed reflects the long-standing trend of more-skilled workers representing a growing share of the workforce. What Table 2 does make clear is that even during the current economic downturn immigration continues to add to the net supply of workers throughout the labor force, with the biggest impact on the supply of unskilled workers.

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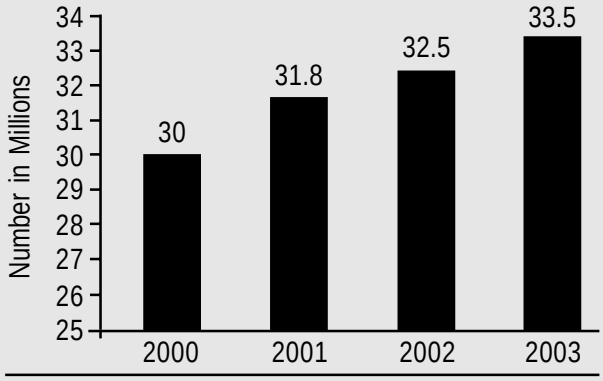
Total Foreign Born

So far in this report we have focused on the workforce. In this section we examine the total foreign-born population and not just those in the workforce.

Overall Population. Figure 1 reports the overall size of the foreign-born population in the United States between 2000 and 2003. The figures are for all foreign-born persons, not just those in the workforce. The figure shows that the population has grown by one million since 2002 and by 3.5 million since 2000.[6] The 33.5 million foreign-born persons in March of 2003 is the largest number ever recorded in American history. The growth in the foreign-born population in the last three years occurred at the same rate as it did in the 1990s, when on average the foreign born population grew by 1.1 million a year.

A Slowdown in 2001. There is some evidence that the attacks of September 11th may have briefly slowed immigration. Figure 1 shows that the foreign-born population grew by 700,000 between 2001 and 2002, whereas it grew by 1.8 million between 2000 and 2001 and by one million between 2002 and 2003. The slower rate of growth between 2001 and 2002 may represent some reduction in the overall level of immigration between March of 2001 and March of 2002. However, simply looking at the total foreign-born population in Figure 1 does not reveal whether the slower growth rate for 2001 to 2002 was due to a reduction in new arrivals or an increase in return migration. If there was a slowing in new immigration between 2001 and 2002, the 2003 data indicate that legal and illegal immigration have resumed the pace of the 1990s, and that the foreign-born population continues to grow by one million a year. Of course, it must be remembered that any surveys of this kind are subject to sampling variability, and that year-to-year changes can be volatile. What is clear from the data is that in the first three years of this decade the foreign-born population has grown at a rate very similar to that of the 1990s.

Figure 1. Total Foreign-Born Population in the United States, 2000-2003



Source: CIS analysis of March 2000 & 2003 Current Population Surveys, which do not include persons living in "group quarters" such as nursing homes.

Recent Arrivals. In addition to asking whether a person is foreign-born, the CPS asks individuals the date when they came to the United States. In 2002, there were 4.53 million persons who said they entered the United States between 2000 and 2003 for an annual rate of between 1.4 to 1.5 million, even with the 2001-2002 slowdown. The arrival of more than 1.4 million new legal and illegal immigrants each year is offset by deaths and return migration causing annual net growth of one million in the total foreign born. It should be pointed out that arrival information for a single year is not available in the public use data files used for this study because the Census Bureau groups several years together in the public files in order to protect the anonymity of survey participants. Thus, it is not possible to say for certain that more than 1.4 million new people arrived from abroad between March 2002 and March 2003. However, deaths and out-migration are thought to total about 500,000 each year. Thus, for the foreign born to still grow by one million, more than 1.4 million new individuals must have arrived between March 2002 and 2003.[7] The number of new arrivals in the last year is about the same number as in the late 1990s. The March 2000 CPS showed that about 1.45 million new individuals were arriving each year by the end of the 1990s.

Foreign-Born as a Share of the Total Population. As a share of the total population, the 33.5 million foreign-born individuals accounted for 11.7 percent of the nation's total population in 2003, compared to 10.8 percent found in March 2000 CPS. The foreign-born now account for almost one in eight residents, the highest percentage in over 80 years. If current trends continue, within a decade the foreign-born share of the population will match the all-time high of 14.8 percent reached in 1890. In terms of the impact on the United States, both the percentage of the population that is foreign-born and the number itself are clearly important. The ability to assimilate and incorporate immigrants is partly dependent on the relative sizes of the native and foreign-born populations. On the other

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hand, absolute numbers also clearly matter; a large number of immigrants could create the critical mass necessary to foster linguistic and cultural isolation.

Illegal Immigration

Illegal Immigration Continues. While the CPS does not ask about legal status, some insight can be gained on unauthorized flows by looking at year of entry and place of birth in the survey. Based on estimates prepared by the INS, we estimate that 46 percent of those who responded to the 2000 and 2003 CPS and indicated that they arrived in the United States in the three years prior to the survey are illegal aliens.[8] This means that 1.98 million of the 4.3 million people who arrived 1997 to 2000 are illegals and 2.09 million of the 4.54 million who arrived 2000 to 2003 are illegals. Given sampling and non-sampling errors that exist in any survey, the slight difference between the two time periods is not meaningful. What these figures do indicate is that illegal immigration seems to have continued at about the same pace as it did during the late 1990s. It must be stressed that these figures assume that illegals represent the same share of new arrivals in both time periods. Moreover, these estimates do not include all illegals, but instead count only those captured in the CPS.

Illegals in the Workforce. Turning to only adults (18 and over) in the workforce, we assume a somewhat higher share are illegals than is the case for illegals overall because relatively few illegals come as children or as retirees. For the 1997-2000 cohort, an estimated 53 percent of new arrivals in the workforce are illegals and 50 percent of those in the 2000-2003 cohort are illegals. We assume a slightly smaller share are illegals in the 2000 to 2003 period because some of the provisions of NAFTA allowing in more people from Mexico on a legal temporary basis have begun to take effect. This means that about 1.2 million new adult illegal workers arrived in both the first three years of the 1990s and the first three years of this decade. Again it must be stressed that these figures do not include all illegals in the country, but instead only those in the CPS who indicated they were in the workforce.

Most Illegals Are from Mexico. Table 3 shows the year of arrival and region of birth for the foreign-born, with Canada and Mexico treated separately. The table shows that the majority of recent arrivals come from the western hemisphere, which accounted for 58 percent of all those who have arrived since 2000. Mexico by itself comprised a third of these most recent arrivals in 2003. The 1.5 million people who came from Mexico in the last three years strongly suggests that illegal immigration continues at very high levels from that country. In its report published in January of this year, the Immigration and Naturalization Service estimated that almost 70 percent of the total illegal-alien population was Mexican and that about two-thirds of all illegals who arrived in the late 1990s are from Mexico. It is a well-established fact that vast majority of recent arrivals from Mexico in Census Bureau data, such as the CPS, are illegal aliens.[9] In contrast, legal Mexican immigrants are generally persons who have lived in the United States for some time as illegal aliens before getting their green card. Thus, for the most part, legal Mexicans report a year of arrival that is further back in time, reflecting their time in the United States as illegal aliens before they got legal status. It is very likely that at least 90 percent of the 1.5 million people from Mexico who arrived since 2000 are illegal aliens. This would mean that illegals from that country continue to account for nearly two-thirds of all new illegals.

It is possible that illegal immigration from Mexico has slowed since 2000, but the grouping of all post-2000 arrivals in public use data obscures this fact. However, data from the 2002 CPS suggest that 500,000

Table 3. Region of Birth (in thousands)

		Year of Entry[1]		
	Total	**Pre-1990**	**1990-99**	**2000-03**
Mexico	9,966	4,349	4,087	1,530
Canada	657	442	168	47
Central America	2,379	1,086	945	348
Caribbean	3,381	1,989	1,084	308
S. America	2,120	944	797	379
Europe	4,592	2,791	1,361	440
E. Asia	5,868	3,145	2,033	690
S. Asia	1,596	544	720	332
Middle East	1,060	625	282	153
Sub-Sah. Africa	635	224	278	133
Not Given/Oceana	1,215	561	480	174
Total	**33,471**	**16,700**	**12,235**	**4,534**

[1] Based on responses to year of entry question in March 2003 CPS; data are measured in thousands.
Source: CIS analysis of March 2000 and 2003 Current Population Surveys which does not include persons living in "group quarters" such as nursing homes.

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of the 1.5 million post-2000 arrivals from Mexico came in just the last year.[10] It must be remembered that only about 200,000 people a year are granted legal permanent residence from Mexico. Thus, even if all these new legal immigrants were captured by the Census Bureau and all of these individuals reported a more recent date of arrival, which is very unlikely, the 1.5 million post-2000 Mexicans in the CPS would still mean that illegal immigration from that country continues at very high levels. Since there has been no increase in efforts to control illegal immigration, it should come as no surprise that illegal immigration continues much as before. It is interesting to note that even the recession did not slow the pace of illegal immigration.

State Data

Table 4 shows the 20 states with the largest foreign-born populations in 2003 and their year of arrival. (Note: Unlike Table 1, the numbers in Table 4 are for all of the foreign-born, not just those in the workforce.) The table ranks the states based on the number of post-2000 arrivals. The table shows that California received the most new arrivals, followed by Texas, Florida, New York, Illinois, New Jersey, Virginia, Maryland, Arizona, North Carolina, and Georgia. It also shows that a very large share of the foreign-born are recent arrivals in many states. For North Carolina and Kansas, one in four among the foreign-born came to the United States in the last three years. In Texas, Virginia, Georgia, Colorado, Minnesota, and Tennessee, one in five is a very recent arrival. Nationally, about one in eight foreign-born individuals arrived in the last three years. The table also provides evidence that the foreign-born continue to settle outside traditional states of heavy immigrant settlement. This is especially true for California. Although California accounts for 27 percent of the total foreign-born population, 18 percent of those who arrived in the last three years went to that state. Of course, seven states with the largest foreign-born population accounted for nearly two-thirds of all new arrivals. It should also be pointed out that eight out of 10 foreign-born individuals still live in just 13 states.

Table 4. States Ranked by post-2000 Arrivals (in Thousands)

	Year of Entry[1]			Total Foreign-Born	Share Foreign-Born	Total Pop.
State	2000-03	1990-99	Pre-1990			
California	794	3,242	5,308	9,344	26.6 %	35,159
Texas	659	1,271	1,485	3,415	15.9 %	21,529
Florida	432	962	1,569	2,963	18.0 %	16,429
New York	418	1,494	2,119	4,031	20.9 %	19,283
Illinois	259	584	664	1,507	12.1 %	12,504
New Jersey	186	511	807	1,504	17.5 %	8,604
Virginia	136	268	227	631	8.9 %	7,118
Maryland	135	278	341	754	13.9 %	5,442
Arizona	135	330	396	861	15.8 %	5,458
North Carolina	127	219	133	479	5.9 %	8,162
Georgia	111	238	187	536	6.4 %	8,426
Massachusetts	110	265	362	737	11.4 %	6,470
Washington	97	190	236	523	8.7 %	6,001
Colorado	92	192	156	440	9.8 %	4,477
Ohio	67	138	205	410	3.6 %	11,282
Michigan	66	228	275	569	5.7 %	9,910
Pennsylvania	59	190	266	515	4.2 %	12,190
Minnesota	55	130	109	294	5.8 %	5,054
Tennessee	45	107	88	240	4.2 %	5,672
Kansas	45	55	65	165	6.1 %	2,685
Total	**4,534**	**12,235**	**16,700**	**33,471**	**11.7 %**	**285,933**

[1] Based on responses to year-of-entry question in March 2003 CPS.
Source: Center for Immigration Studies analysis of March 2000 and 2003 Current Population Surveys, which do not include persons living in "group quarters" such as prisons and nursing homes.

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Selected Social Characteristics

Table 5 reports several socio-demographic characteristics of the foreign-born population and natives. Overall, the table shows that immigrants tend to be poorer than natives. This is especially true when their young, U.S.-born children are counted with their immigrant parents as opposed to being included with the figures for natives, which is how official government documents generally report poverty figures. Given their higher rates of poverty and near-poverty, it is not surprising that Table 5 also shows that households headed by immigrants make heavier use of means-tested programs. In terms of self-employment, the two groups exhibited similar rates of entrepreneurship, with natives enjoying a slightly higher rate.

Conclusion

While immigration continues to be the subject of intense national debate, with 1.4 to 1.5 million legal and illegal immigrants continuing to settle in the United States each year and the total foreign-born population reaching 33.5 million, the impact on American society is clearly enormous. The available evidence suggests that whatever may have been the case in the past, the current flow of immigrants into the United States is largely unconnected to economic conditions here. Unemployment and non-work have risen throughout the country and among immigrants, but the number of new immigrants (legal and illegal) entering the country continues to match the pace of the 1990s. Immigrants come to America for many reasons, and the demand for labor may be a relatively minor factor in determining the level of immigration. If there is no change in immigration policy, it is almost certain that at least 15 million new legal and illegal immigrants will settle in the United States in this decade alone, regardless of the performance of the U.S. economy. Thus, immigration's impact will continue to grow if current policies are left unchanged.

Table 5. Selected Social Characteristics

Poverty	Rate	Number (in Thousands)
Foreign-Born	16.6 %	5,560
Natives	11.5 %	29,019
Foreign-Born and their U.S.-born Children under age 18[1]	17.8 %	7,804
Natives and their Children[2]	11.1 %	26,776
In or Near Poverty[3]		
Foreign-Born	41.5 %	13,880
Natives	29.0 %	73,157
Foreign-Born and their U.S.-born Children under age 18[1]	43.6 %	19,129
Natives and their Children[2]	28.1 %	67,909
Welfare Use[4]		
Immigrant Households	25.5 %	3,560
Native Households	16.7 %	16,314
Uninsured		
Foreign-Born	33.4 %	11,186
Natives	12.8 %	33,471
Foreign-Born and their U.S.-born Children under age 18[1]	29.6 %	13,012
Natives and their Children[2]	12.6 %	30,562
Self-Employment[5]		
Foreign-Born	9.4 %	1,737
Natives	10.6 %	11,924

[1] Includes all children (under 18) of immigrant mothers, including those born in the United States.
[2] Excludes the U.S.-born children of immigrant mothers.
[3] Defined as being under 200 percent of the official poverty threshold.
[4] Based on nativity of household head. Programs include TANF, SSI, Food Stamps, public housing, and Medicaid.
[5] Figures are for employed persons 18 years of age or older
Source: Center for Immigration Studies analyses of March 2003 Current Population Survey, which does not include persons living in "group quarters" such as prisons and nursing homes.

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Endnotes

[1] All figures in this report reflect the use of 2000-based weights, which were put out by the Census Bureau after the 2000 Census revealed that the nation's population was larger than previously thought.

[2] The survey is considered such an accurate source of information on the foreign-born because, unlike the decennial census, each household in the CPS receives an in-person interview from a Census Bureau employee. The 217,000 persons in the survey, 23,000 of whom are foreign-born, are weighted to reflect the actual size of the total U.S. population. However, it must be remembered that some percentage of the foreign-born (especially illegal aliens) are missed by government surveys of this kind, so the actual size of this population is almost certainly larger.

[3] This includes naturalized American citizens, legal permanent residents (green card holders), illegal aliens, and people on long-term temporary visas such as students or guest workers, but does not include those born abroad of American parents.

[4] Individual year-of-entry information is not available from the public use files because the Census Bureau combines years in such as way that the 2000 data only allows for a comparison with those who had been in the country for either two years or four years but not three years, as is the case in the 2003 data. However, using the 2000 CPS it is possible to estimate new arrivals in the previous three years by combining arrivals in 1998, 1999, and 2000 with one half of those who arrived in 1996 and 1997.

[5] The 2002 *Yearbook of Immigration Statistics* shows (See Table 1) that during times of recession in the second half of the 1800s, legal immigration numbers would fall dramatically and then resume as the economy recovered. The *Yearbook* can be found at: http://uscis.gov/graphics/shared/aboutus/statistics/IMM02yrbk/IMM2002list.htm

[6] It is worth noting that the 2000 Census recorded 31.1 million immigrants, 1.1 million higher than the March 2000 CPS. However, the Census includes those living in group quarters, who are not included in the CPS, and the Census is taken a month after the March CPS. Moreover, the CPS is a survey while the Census attempts to count the entire population. For consistency, it makes more sense to compare the same data source over time rather than comparing the CPS to the Census.

[7] The Census Bureau has estimated that return migration averaged 279,000 per year in the late 1990s. A detailed report on this subject can be found at: www.census.gov/population/documentation twps0051/twps0051.pdf
Deaths total some 230,000 among the foreign born. While annual deaths are constant because they reflect age, sex, and race, which change very little from year to year, it is possible that return migration increased. However, if the number of immigrants who went home increased in the last year, then new arrivals must be even larger than 1.5 million for the foreign-born to still grow by one million.

[8] Estimates prepared by the INS indicate that 45 percent of those who responded to the 2000 Census and indicated that they arrived in the United States between 1997 and 1999 are illegal aliens. We adjust this number up to 46 percent because these estimates do not include those who arrived in 2000. These most recent arrivals are slightly more likely to be illegal aliens. The report on the illegal population published by the Immigration and Naturalization Service in January of 2003 is available at: http://uscis.gov/graphics/shared/aboutus/statistics/Ill_Report_1211.pdf See Tables C and 3. In addition, the detailed methodology used to create the INS' estimates was provided by the immigration service. Tables 1 and 2 in the detailed methodology specifically show the share of the foreign-born who responded to the Census and are illegal aliens by year of entry. Additional information was provided by the report's author, Robert Warren, in an interview on October 31, 2003.

[9] Looking at Census data, Jeffery Passel of the Urban Institute estimated that "Of the roughly five million Mexican immigrants who arrived in the United states during the 1990s, about 80 percent are undocumented." His report can be found at: www.migrationinformation.org/feature/display.cfm Estimates prepared by the INS indicate a similar percentage for Mexico. See table 3, page 18, of the INS report at http://uscis.gov/graphics/shared/aboutus/statistics/Ill_Report_1211.pdf

[10] In the March 2002 CPS, there were one million post-2000 Mexicans, compared to 1.5 million in 2003. This suggests that 500,000 new Mexicans continue to arrive each year.

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Backgrounder

Immigration in a Time of Recession

An Examination of Trends Since 2000

By Steven A. Camarota

The economic downturn and the attacks of September 11th appear to have had no lasting impact on the pace of immigration. While there is some evidence that immigration may have slowed slightly in 2001, analysis of unpublished 2003 Census Bureau data by the Center for Immigration Studies shows that new legal and illegal immigration remains at record-setting levels. In fact, immigration appears to be largely unconnected to the job market in the United States. Although unemployment has increased significantly overall and among the foreign-born, the pace of legal and illegal immigration continues to match that of the late 1990s. The total foreign-born population reached 33.5 million in March of this year, a net increase of one million since 2002 and the highest number ever recorded in American history.

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